



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: June 4, 2008

SUBJECT: **Agenda Item VII: Consideration of resolution authorizing a professional services contract with Caporicci and Larson for external audit services.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing a professional services contract in the amount of \$47,250 for external audit services, including mandated Federal 'single audits'.

Background: On March 10, 2008, a Request for Proposals (RFP) was issued for audit services beginning with the audit of Fiscal Year (FY) 2007-08 and ending with the audit of (FY) 2009-10. The RFP provides for two one-year optional extensions.

The RFP was mailed to 26 auditing firms, and notice of the RFP was posted on the California Society of Municipal Finance Officers web page. Seven audit firms responded to the RFP.

Bartlett, Pringle & Wolf, LLP
Caporicci & Larson
Charles Z. Fedak & Co.
Lance, Soli, & Lunghard, LLP
Mayer, Hoffman, McCann, PC
Moss, Levy & Hartzheim, LLP
Rogers, Anderson, Malody & Scott, LLP

Santa Barbara, CA
Irvine, CA
Cypress, CA
Brea, CA
Irvine, CA
Santa Maria, CA
San Bernardino, CA

Each firm's proposal was evaluated by a committee consisting of Conejo Recreation and Park District (CRPD) Management Services Administrator Sheryl Lewanda, CRPD Accounting Supervisor Jan Robertson and MRCA Assistant Financial Officer Jeff Jones. Four firms were interviewed.

Firms were evaluated based on the results of the proposal evaluation, interview results, proposed costs, firm size, experience with special districts, and breadth of services available.

Caporicci & Larson was selected based on its ability to provide professional guidance, qualified staff, price and experience. The not-to-exceed price for the three year base contract, including as required Federal single audits is \$47,250.

Beginning with the fiscal year 2007-08 audit, MRCA external auditors must comply with a new Statement on Auditing Standards, SAS #114, "The Auditor's Communication With Those Charged With Governance". Under SAS #114 "those charged with governance" refers to "those with responsibility for overseeing the strategic direction of the entity and obligations related to accountability of the entity, including overseeing the entity's financial reporting process". The auditor is required to communicate an overview of the planned scope and timing of the audit, representations the auditor requests from management, and significant findings/issues, if any, to "those charged with governance." Staff will work with Caporicci & Larson regarding effective methodology for the implementation of SAS#114 at Mountains Recreation and Conservation Authority.